

HANGAR and GROUND SPACE LEASE

Agreement made by and between the Polk County Aviation Authority, 410 West First Street, Ankeny, Iowa 50023, herein referred to as Lessor, and _____, having a principal address at _____, herein referred to as Lessee.

Work Phone: _____

Home Phone: _____

Airplane Make and Model: _____

Type of Aircraft: _____

Airplane Identification Number: _____

Section One – Hangar and Ground Space

Lessor leases to Lessee that portion of the airport premises described as follows: Hangar # _____ together with the other improvements currently located on such premises.

Section Two – Term

Subject to earlier termination as provided below in this agreement, the initial term of this agreement shall be the period commencing on _____, 2009, and ending on December 31, 2009. Provided, however, that this agreement shall immediately terminate in the event that Lessee does not have an airworthy plane in the hangar within ninety (90) days after commencement of this agreement.

In the event Lessee requests early Lease termination, Lessee will be required on the date of requesting Lease termination to: (1) not be in default under the Lease; and (2) tender a check for three months rental payments or the remainder of the Lease term, whichever is less.

Section Three – Rentals and Charges

At the time of execution of this Lease Agreement, Lessee shall pay to Lessor the sum of One Hundred Seventy Dollars (\$170.00) to be held and disbursed as a rental deposit.

Upon termination of this Lease, absent any damages beyond the normal wear and tear to the leased premises, failure to return keys requiring an expense to rekey, and absent any default or violation of the provisions of this Lease which allows Lessor to retain all or part of the security deposit, Lessor shall refund Lessee's security deposit in accordance with applicable state and local laws. In the absence of any state or local laws regarding the returning of security deposits, and upon the above conditions being met, Lessor shall refund Lessee's security deposit within thirty (30) days of the date of termination of this Lease. Also, in the absence of any state or local laws, if Lessee gives Lessor an incorrect or incomplete forwarding address, or if Lessee does not give Lessor a forwarding address, and Lessor is unable, after reasonable investigation, to determine Lessee's new mailing address within sixty (60) days from the date of termination of the Lease, the security deposit shall become the unconditional property of the Lessor.

Lessee agrees to pay Lessor for the exclusive use of the Tee-hangar the sum of Two Thousand Forty Dollars (\$2,040.00) per annum, computed at the rate of One Hundred Seventy Dollars (\$170.00) per month.

Rentals under this section shall be paid in advance in monthly installments due and payable no later than the first day of each month, the first such payment to be due on _____, 2009.

In the event of continued possession by Lessee, beyond the expiration of its tenancy (and absent a written agreement by both parties for an extension of this lease, or for a new lease) Lessee shall pay rent in a monthly amount equal to One Hundred Fifty Percent (150%) of the monthly rental amount.

Section Four – Prohibited Acts

- a. Lessee shall not use the leased premises to compete in any way with any service offered by a Fixed Base Operator (FBO) located on the airport, including flight instructions, air charter, fuel or oil sales and maintenance, except Lessee may use the leased premises for maintenance performed by Lessee upon Lessee's aircraft.
- b. Lessee shall not use the leased premises for storage of unflyable aircraft or the construction of aircraft. Lessee shall keep only flight-worthy aircraft housed in the leased premises.
- c. Lessee shall not use the leased premises for storage of aircraft fuel or any other flammable or combustible material except for that fuel used by Lessee's aircraft, which is in the aircraft when it is housed on the leased premises.

- d. Lessee shall not erect or permit any signs upon the leased premises, and shall make no alteration to the premises.
- e. Lessee acknowledges that Landlord must have access to the leased premises at all times. No personal or double locks shall be installed on the leased premises. Keys shall be returned upon termination of the Lease.
- f. Lessee shall not incur damage to the leased premises; reasonable wear and tear excepted.

Section Five – Maintenance and Utilities

- a. Lessor shall provide electricity to the leased premises. Provided, however, electricity shall be used for lights, electric heater and refrigerator only. NO PROPANE OR KEROSENE HEATERS ARE ALLOWED.
- b. Lessee shall provide for and supply at its expense all janitorial service with respect to the interior of the Tee-hangar used exclusively by Lessee, and Lessee shall, at its own expense, keep the interior of the Tee-hangar in good condition, in a clean and orderly manner at all times, free from litter, trash and debris.

Section Six – Statutes, Ordinances, Licenses, Rules and Regulations

Lessee will obtain, at its own expense, all necessary licenses and permits. Further, Lessee will comply with all federal, state and local laws and ordinances. Further, Lessee will comply with all the terms and conditions of any bonds used to acquire any airport property. Further, Lessee will comply with all rules and regulations promulgated by Lessor.

Section Seven – Insurance and Waiver

Lessee shall, at Lessee's expense, keep Lessee's aircraft insured with adequate hull insurance at all times during the effective dates of this Lease and shall likewise be solely responsible for securing at its own expense whatever insurance coverage it may desire on the contents of the Tee-hangar.

Landlord assumes no responsibility for loss of use, damage or destruction of personal property or injuries to persons occasioned by Lessee's use of the lease premises. Lessee's signature below is a waiver of any liability on the part of Lessor to Lessee and/or its invitees arising out of Lessee's occupancy and/or use of the leased premises.

Section Eight – Indemnification of Lessor

Lessee agrees to pay Lessor, indemnify Lessor and hold Lessor harmless against any and all liability for injuries to persons or damage to property caused by Lessee's negligent use of or occupancy of the leased premises or caused by the negligence of any Lessee's employees, officers, agents, guests or invitees; provided, however, that Lessee shall not be liable for any injury, damage, or loss occasioned by the negligence of Lessor or its agents or employees and provided further that Lessor shall give to Lessee prompt and timely notice of any claim made or suit instituted which in any way directly or indirectly, contingent or otherwise, affects or might affect Lessee, and Lessee shall have the right to compromise and defend the suit to the extent of its own interest, and Lessee shall do the same regarding prompt and timely notice.

Section Nine – Termination by Lessor

If Lessee fails to make any payment due under this agreement within ten (10) days of the date on which such payment is due, or cure any other event of default within ten (10) days, Lessor, at its option, may terminate this agreement and take possession of so much of Lessee's personal property as is reasonably necessary to secure payments of the amounts due and unpaid. Lessor shall also have the right to terminate this agreement in the event Lessee performs or allows to be performed any prohibited activities on the premises.

Section Ten – Inspection by Lessor

Lessor or its agent may enter the premises now or hereafter leased exclusively to Lessee at any reasonable time for any purpose necessary or incidental to the performance of its obligations under this Agreement, and to assure the safety of other Tee-hangar tenants and airport users.

Section Eleven – Assignment and Subletting

Lessee shall not at any time assign or sublet its rights under this agreement or any part thereof without the written consent of Lessor. No such assignment or subletting shall release Lessee from its obligations to pay any and all of the rentals and charges set forth in this agreement.

Section Twelve – Subordination

This agreement shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States and/or the State of Iowa relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport.

Section Thirteen – Notice

All notices and other communications given pursuant to this Lease shall be in writing and shall be (1) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, and addressed to the parties hereto at the address specified next to their signature block, (2) hand delivered to the intended address, or (3) sent by facsimile transmission, followed by a confirmatory letter. A copy of all notices to Lessee shall be delivered in one of the afore described methods to:

Lessor:	Lessee:
Polk County Aviation Authority	Name: _____
Attn: Janet Binder	Address: _____
410 West First Street	_____
Ankeny, Iowa 50023	City, State Zip: _____

All notices shall be effective upon delivery to the address of the addressee. The parties hereto may change their addresses by giving notice thereof to the other in conformity with this provision.

Lessor:	Lessee:
Polk County Aviation Authority	Name: _____
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____